

SENATE BILL 1224

By Bunch

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 2, relative to sales and use taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228(a), is amended by deleting the subsection in its entirety and by substituting instead the following:

(a)

(1) Notwithstanding any provision of this part to the contrary, except as otherwise provided in subsection (b), the retail sale of food and food ingredients for human consumption shall be taxed at the rate of four percent (4%) of the sales price.

(2) Notwithstanding the provisions of any law to the contrary, the commissioner, based upon reporting of sales and any other data or information the commissioner deems relevant, shall substantially reimburse counties and municipalities for the loss of state-shared taxes directly resulting from the decrease in the tax rate from five and one half percent (5.5%) to four percent (4%).

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.